

H.S.I.S. SERVICES LIMITED

REPORT AND ACCOUNTS 2005

Registered office

25 Gresham Street
London
EC2V 7HN

Registered number

726762

Directors

D J Morris
H D C Stebbing

Company Secretary

S J Hopkins



Member of Lloyds TSB Group

H.S.I.S. SERVICES LIMITED

Report of the directors

Activities and results

During the year ended 31 December 2005, the company did not trade or incur any liabilities and consequently has made neither profit nor loss.

Directors

The names of the present directors of the company are shown on page 1.

Directors' interests

The interests of the directors in the capital of Lloyds TSB Group plc were:

Ordinary shares of 25p each	At 31 December 2005	At 1 January 2005
D J Morris	55,818	60,746
H D C Stebbing	20,677	18,825

Options to acquire ordinary shares of 25p each

	At 1 January 2005	During the year		At 31 December 2005
		Granted	Exercised	
D J Morris	5,783	-	-	5,783
H D C Stebbing	44,505	11,597	-	56,102

None of the directors had any other interest in the capital of Lloyds TSB Group plc or its subsidiaries.

Responsibilities of directors

The directors are responsible for preparing the annual report including, as described below, the financial statements. The United Kingdom Companies Act 1985 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the year and of the profit or loss of the company for that year.

H.S.I.S. SERVICES LIMITED

Report of the directors (continued)

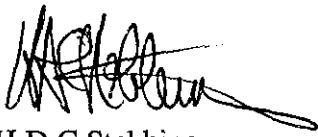
Responsibilities of directors (continued)

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the United Kingdom Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



H D C Stebbing
Director

15 August 2006

H.S.I.S. SERVICES LIMITED

Balance sheet at 31 December 2005

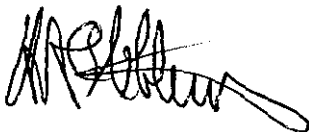
	Note	2005 £	2004 £
Current assets			
Amounts owed by other group companies	2	284,232	284,232
Net assets		<u>284,232</u>	<u>284,232</u>
Equity			
Share capital	3	230,000	230,000
Other reserves		760,068	760,068
Retained earnings		(705,836)	(705,836)
Total equity		<u>284,232</u>	<u>284,232</u>

For the year ended 31 December 2005, the company was dormant and was, therefore, entitled under section 249 AA (1) of the Companies Act 1985 to exemption from audit, and the member has not required it to obtain an audit.

The directors are responsible for:

- (1) keeping accounting records which comply with the provisions of the Companies Act 1985; and
- (2) preparing accounts which give a true and fair view of the affairs of the company at 31 December 2005 and of its profit or loss for the year, and which otherwise comply with the requirements of the Act.

The directors approved the accounts on 15 August 2006.



H D C Stebbing
Director

The notes on pages 5 and 6 are an integral part of the financial statements.

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Notes to the financial statements

1. Accounting policies

The company's ultimate parent company, Lloyds TSB Group plc, adopted International Financial Reporting Standards ('IFRS') as adopted by the European Union in its financial statements for the year ended 31 December 2005. The company elected to adopt IFRS in the preparation of these financial statements for the year ended 31 December 2005.

There is no impact on the company's financial statements as a result of the change in accounting framework from UK Generally Accepted Accounting Principles to IFRS.

An income statement, a statement of changes in equity and a cash flow statement are not presented in these financial statements as these would show nil amounts for the current and preceding financial years.

There are no accounting policies where the use of assumptions and estimates are determined to be significant to the financial statements.

2. Current assets: amounts owed by other group companies

	2005 £	2004 £
Owed by fellow subsidiaries	<u>284,232</u>	<u>284,232</u>

Amounts owed by other group companies are non-interest bearing and are repayable on demand. The fair values of amounts owed to other group companies is equal to their carrying amounts. No provisions have been recognised in respect of amounts owed by other group companies.

3. Share capital

	2005 £	2004 £
Authorised, allotted, issued and fully paid: 230,000 ordinary shares of £1 each	<u>230,000</u>	<u>230,000</u>

The company's immediate parent company is Target Corporate Services Limited. The company's ultimate parent company is Lloyds TSB Group plc which is the parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member. Lloyds TSB Bank plc is the parent undertaking of the smallest such group of undertakings. Copies of the group accounts of both may be obtained from the company secretary's office, Lloyds TSB Group plc, 25 Gresham Street, London EC2V 7HN.

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Notes to the financial statements (continued)

4. Related party transactions

The company's related parties include the ultimate and immediate parent companies as stated in note 3, other companies in the Lloyds TSB Group, pension schemes of the company's ultimate parent company and the company's key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, which is determined to be the company's directors.

There were no transactions between the company and key management personnel during the current or preceding year.

Key management personnel are employed by other companies in the Lloyds TSB Group and consider that their services to the company are incidental to their other activities within the group.

5. Directors' emoluments

No remuneration was paid or is payable by the company to the directors (2004: £nil).